



Proponent Testimony on Senate Bill 157

Senate Public Utilities Committee

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June 22, 2017

Chair Beagle, Vice Chair LaRose, Ranking Member Williams, and members of the committee, thank you for the opportunity to provide testimony on Senate Bill 157. I am Gary Morsches, CEO of Nationwide Energy Partners (NEP), a Columbus, Ohio-based company, launched in 1999. I joined NEP in 2015 and have worked in the energy industry for more than 30 years, and have extensive expertise in deregulated energy markets.

Submetering is the installation of electric and water metering devices behind the master utility meter at multifamily and retail properties. Submetering gives the property owner or manager the ability to accurately measure energy and water usage for each unit and for the common use areas.

NEP was actually launched as a market alternative to the significant costs that AEP and other utilities charged property owners to install private electric distribution systems on multifamily properties. Without our submetering solutions, property developers have to pay much higher upfront costs, up to one million dollars to install distribution lines and meters to their units. These significant costs would result in higher rental costs for residents.

NEP works hand-in-hand with developers during the design and construction phases to install private electric distribution systems. We operate quickly and efficiently to keep property development running on time and on budget. Our work also creates an opportunity for the property owner to develop their own microgrid which allows additional technologies such as solar and smart meters to be utilized for energy efficiency purposes.

Once the private electric distribution system is installed, NEP works on behalf of property owners to bill residents for their actual electricity and water usage by applying a rate that is the same or lower than the host utility residential rate. This is measured through the utility-grade smart meter assigned to each unit. Residents have transparency into their electricity use and are not charged for their neighboring units' usage.

The U.S. Department of Energy has stated that residents save up to 21% on the electricity costs in submetered buildings – because they have insight into their actual energy usage.

For over three years, NEP has been advocating for regulations that would ensure true consumer protections, while allowing for property owners to make decisions regarding how their property is managed. Not all submetering companies have been vocal on the need for consumer protections.

While we do not agree with every aspect of this bill, we appreciate Sen. Bacon's efforts to address this issue and feel this bill protects consumers and allows property owners to find solutions that help them reduce their development costs.

I look forward to continuing to work with the committee and stakeholders on legislation that protects consumers and allows the market to operate and innovate. Thank you again for the opportunity to testify today. I'm happy to answer any questions you may have.